A poll was taken with the following result :—

AYES.—13.

1	Mr.	Kochikkal P. Balakrishnan Tampi	8	Mr.	T. K. Madhavan Nayar
2	,,	R. Dhanukoti Pillai	9	,,	E. I Mathew
3	,,	M. Govindan	10	,,	U. Padmanabha Kukilaya
4	,,	M. Govinda Pillai	11	,,	K. Paramesvaran Pillai
5	,,	Joseph Panjikaran	12	,,	Komilezhathu Sankaran
6	,,	A. Kumara Pillai	13		P. Visvanatha Aiyar
7	,,	L. A. Lampard			

NOES—17.

Messrs.			Messrs.		
1	,,	V. S. Arumukham Pillai	11	,,	N. K. Padmanabha Pillai
2	,,	J. John Kattakayam	12	,,	P. Padmanabhan Tampi
3	,,	C. M. Joseph	13	,,	M. N. Paramesvaran Pillai
4	,,	K. N. Kesavan Namputiripad	14	,,	K. Rama Varma Raja
5	,,	K. Madhavan Pillai	15	,,	Kattiyattu Sivarama Panickar
6	,,	H. O. L. Marikar	16	,,	E. P. Varghese
7	,,	G. Narayana Aiyar	17	,,	A. N. Visvanatha Pillai
8	,,	M. N. Narayana Menon			
9	,,	K. P. Nilakanta Pillai			
10	,,	K. Padmanabha Panickar			

The motion was declared lost, 13 voting *for* and 17 *against*.

Mr. Joseph Panjikaran : Sir, the next motion is a similar one in respect of the District Municipalities Bill. In view of what took place just now, I would withdraw it.

President : Does the House permit the motion being withdrawn ?

Mr. M. N. Paramesvaran Pillai : The motion is not seconded. How can the member withdraw it ?

President : The motion need not be seconded if it is to be withdrawn.

The House agreed to the motion being withdrawn.

The Council adjourned at 11-15 A. M.

JOINT SITTING OF THE SRI CHITRA STATE COUNCIL AND THE SRI MULAM ASSEMBLY.

A Joint sitting of the Sri Chitra State Council and the Sri Mulam Assembly was held at 11-30 A. M. The Dewan addressed the members of the Legislature as follows :

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Honourable Members of the Legislature,

It will be within the recollection of the House that on the assumption of office as President of the Legislature, I had the privilege of addressing Members of the Assembly at their first meeting on the 21st May last to extend to them my warm greetings and to express the hope that our relations will be happy and cordial during the time I had the honour to be the President. As I had explained on that occassion it was my intention to summon a joint session of the two Houses for that purpose but owing to the interval between the two Sessions which is inevitable, I had to deny myself that privilege, more especially as my address was practically of a ceremonial nature. Much water has flowed under the bridge since then. Government have been engaged in various activities and have also been faced with diverse difficulties, to grapple which they have made all honest attempts keeping always in mind the happiness and contentment of the loyal subjects of His Highness the Maha Raja. I shall reiterate what I emphasised on the former occasion that I have always regarded a Legislative body such as yours as an integral part of Government and that both have equal responsibilities for the good and efficient conduct of the administration of the country. I also added that both Government and the Legislature have a common purpose to serve, namely, the happiness, prosperity and contentment of the loving subjects of our gracious Sovereign. It is in this light that I wish to place before you this morning those aspects of the Governmental activities of which you are entitled to possess accurate knowledge and those incidents in the economic life of the people which occupied our attention during the last few months and the manner in which Government have so far attempted to tackle them and propose to do in future.

I need make no secret of it that the one problem which has been pre-eminent in the mind of the Government recently relates to the serious economic situation which has arisen in the country owing to a variety of causes over which we have little or no control. In common with other parts of the world, Travancore has come under the grip of the slump which in its duration, intensity and effect on the finances of the various countries has been unprecedented in history. Its incidence on mainly Agricultural Countries like ours has proved to be more distressing than on Industrial Countries. The fall in the prices of agricultural produce has been far greater than in those of the manufactures with the result that the agriculturist is able to get hardly any return for his expenditure, time and labour. Added to this we have now to face the capriciousness of nature. The failure of the last two monsoons has made the prospects more gloomy. Government are aware that there has been a total failur_e

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of crops over considerable areas in certain Taluks and partial failure in many others. Owing to the failure of the rains, cocoanut, pepper, tapioca and ginger cultivation in the State has been appreciably affected. And the shortage of water in the Kodayar Channel threatens to add to the difficulties of the ryots in some parts of South Travancore. It is gratifying, however, to observe that the tea and cardamom cultivations in the Devicolam Division are not much affected by the scarcity of rain. I wish to assure the Hon'ble Members that the Government view this situation with concern and sympathy and are not lacking in their determination to afford such relief and assistance to the agriculturists of the State as circumstances may warrant.

Hon'ble Members will remember the representations made by them regarding the need for immediate relief to the agriculturists and the undertaking given by the Government on the floor of the House during the last Session of the Assembly. In pursuance of this promise Government sanctioned a number of concessions as temporary measures of relief. The tax on all AYACUT wet lands and tank bed conversions in the Taluks of Tovala and Agastiswaram and on post settlement Kayal reclamations in the Taluks of Ambalapuzha, Changanachery and Kottayam was reduced by $18\frac{3}{4}$ %. Land tax (including water rate) on all lands wet or dry including Kandukrishi and Sri Pandaravagai lands, but excluding lands cultivated with tea, rubber, cardamom or coffee was reduced by $12\frac{1}{2}$ per cent. The total loss to Government on account of these concessions is estimated at Rs. 4·39 lakhs. Varying reductions in fees, both in Vernacular and English schools from the 1st Kanni 1110 will result in a loss of Rs. 1·13 lakhs. The reduction in the rate of interest on Agricultural and Industrial loans from 6 per cent. to 4 per cent. will bring in a loss of Rs. 0·31 lakhs. And further, as Hon'ble Members are aware, the tariff rates on the produce of cocoanut trees for purposes of export duty were reduced with effect from the 1st Chingam 1110. The estimated loss under this head is Rs. 2·27 lakhs Including the remissions granted to abkari contractors on account of economic depression in general, the total loss to Government on account of relief already granted would amount to over Rs. 10 lakhs.

Thus the Hon'ble Members would agree that the Government have not been slow in granting reliefs when they were convinced about their necessity. It will therefore be conceded that Government continue to watch the situation with anxiety and will sympathetically consider the prayers for remission of taxes on lands where there has been a total failure of crop and for such other reliefs as

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are consistent with financial possibilities. The question of the manner and measure of further relief to be granted is engaging the serious attention of Government. The necessary data for this purpose is being collected expeditiously and Government hope to reach decisions in the near future. And further, Hon'ble Members will be interested to hear that Government are already contemplating the desirability of undertaking the repair and improvement of minor irrigation works in the State in general and setting apart additional funds for public works, particularly in areas where the distress is most keenly felt, with a view to provide employment to labourers and those thrown out of agricultural pursuits.

Government are fully alive to the fact that the economic life of the agriculturist in the State calls for a thorough examination with a view to adopting such measures as will improve his lot. The outstanding problem is that of agricultural indebtedness. The State Banking Enquiry Committee put the figure between 20 to 25 crores. But since their report, conditions have been such as to lend colour to the view that their estimate was at best modest. The magnitude of the problem is so great and the interests involved are so important and perhaps even divergent, that no hasty action could be justified. Nothing that may be done should unsettle that sound proposition that "an essential of agriculture is credit". Whatever the country and whatever the tenure, the fact always remains that the agriculturist must borrow. And no relief measure could be said to have been wisely conceived which in any way affects this power of the agriculturists to borrow. As I said, the problem is one of great importance and requires much anxious thought. The Government have been recently considering various proposals put forward. I am glad to acknowledge with thanks certain constructive proposals laid before the Government by a representative and influential body of non-officials. These and others already before the Government demand a thorough examination based on facts and statistics. As Hon'ble Members are aware the Government have recently set up a small Committee consisting of an equal number of officials and non-officials to carefully examine the various proposals and make recommendations. I am glad to inform the House that the Committee has already started work and it is hoped it will complete it with the promptness which its importance demands.

As the Hon'ble Members were told the other day, the Government of India are starting a central marketing organisation and this Government in common with British Provinces and other Indian States have also been invited to co-operate with them in

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this matter. I need not recall to your minds the fact that the Royal Commission on Agriculture in India examined carefully the present methods of marketing of agricultural products in India. They found that the average cultivator was a very small unit, generally ignorant and always incapable of influencing the methods of marketing of his products. They therefore urged the necessity for Government intervention in the matter and recommended the initiation of a comprehensive scheme of marketing survey and development. The Indian Central Banking Enquiry Committee generally endorsed these recommendations. At the Provincial Economic Conference 1934, it was generally agreed that of all practical measures for improving economic conditions, an intensive programme to develop marketing facilities for agricultural products offered the best immediate prospects of substantial results. It is our hope also that through such efforts the agriculturists will be able to secure a better price for their produce. The development of this organisation will, I understand, be by different stages. Markets for different articles have to be first studied and surveyed, such for instance as places of production and consumption ; standards devised which will be recognised by tarde and improved and uniform methods of packing of a particular variety of goods adopted. Further, these activities will include an attempt at better organisation and control of markets with a view to securing scientific distribution of particular variety of goods based on the Law of Supply and Demand. By minimising the profits of the middleman the organisation will endeavour to secure the agriculturist fair price for his produce. To effectively co-operate with the Central Organisation at Delhi, Government had intended to set up a small Organisation here and a demand for that purpose was placed before the Assembly on the 21st instant. It was also our intention to approach the Agricultural Research Council for a contribution from the funds of the Government of India set apart for this purpose, after obtaining the blessings of the Assembly in favour of the scheme. I am, however, sorry to note that the House refused the demand, although in the course of discussion the need for such an organisation and its utility were not seriously disputed. I feel constrained to remark that if Government should decide to accept the verdict of the Assembly and isolate themselves from such an admittedly useful medium for consolidating and developing the much neglected trade prospects of the country, a very valuable opportunity will be lost both to the agriculturists and others whom this scheme is intended to benefit.

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I have so far dealt with the distressing situation in which we find ourselves and have indicated the lines on which attempts are being made to help the agriculturists to tide over the present difficulties. But no scheme of relief, in my opinion, is complete unless it takes note of the other problem of the economic development of the country. The experiences of the slump period have established two unmistakable facts. The price of agricultural produce has generally suffered more than that of manufactured goods, because of overproduction and the growing economic nationalism in the raw-material-importing countries and the consequent restriction on imports. The other fact which follows from this is that countries where there is a sort of balance between production of raw materials and manufactured goods are better able to stave off the effects of economic depression and are in a position to bargain with their manufacturing competitors in respect of the trade in raw material. Turning to our own problems in Travancore, one is confronted with the paradox of a State rich in resources of a nature rarely met with elsewhere and neither lacking in man-power and yet its population almost rural steeped in indebtedness of a staggering magnitude. Does it not indicate a want of adjustment somewhere in the economic structure of the State? Agriculture is no doubt our basic industry and will continue as such. But if I may hazard an opinion the development of other industries and the exploitation of our own resources have not kept pace with the requirements of time. Any measures, therefore, designed to improve the economic condition of our people must aim at a simultaneous development of industries along with improvements in agricultural conditions. I take this opportunity of assuring the Hon'ble Members that the Government of His Highness are ardently devoted to a policy of industrial and economic development of the State. And in its pursuit they welcome the co-operation and support of the people, for, in this matter of the augmentation of the wealth of the State, there can be nothing but community of interests between the Government and the people.

In this connection I may mention that as Hon'ble Members are aware the Government have already sanctioned the setting up of a Rubber Factory in Trivandrum. The machinery are now on the way to Trivandrum and the building is expected to be completed in the course of the next few weeks. It is hoped that the factory will be a going concern in the near future.

It will, I am sure, interest Hon'ble Members to know that Government have investigated the possibilities in the China clay and Porcelain industry in the State. The Head of the Ceramic

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department of the Benares Hindu University was recently invited by Government to conduct investigations and his report is now before Government. From these investigations, it is gratifying to observe that sufficient clay deposits exist on the shores of the Kanjirode Kayal in the Quilon Taluk and in the Warkalay Hills and that at the rate of 20,000 tons of crude clay per year there is sufficient stuff for removal for a century or more. The possibilities of preparing the clay for sizing cotton yarn and the prospects of establishing a factory for the purpose have also been investigated. The Expert has reported that in view of the excellent quality of our clay there is every prospect of working out a scheme on successful commercial basis. He has further reported that all necessary raw materials for producing porcelain and refractory goods of a superior quality exist in abundance in Travancore and that a porcelain factory can, with advantage, be established here. The report is being carefully examined by Government.

At our request, the Government of India were pleased to place the service of Mr. Kamesam, the Timber Preservation Expert, on deputation to study and investigate the possibilities of utilising our enormous forest wealth. Mr. Kamesam has submitted his report and the Government propose to adopt at once some of his recommendations which will, it is anticipated, result in much saving. He has recommended the treatment of Timber by "Ascu" which consists in the impregnation of a special compound of arsenic and copper under pressure into wood and the employment of such treated timber for bridges, buildings, electric and telephone posts. Out of the total of about 295 miles of transmission and distribution lines that have been proposed for the Pallivasal scheme it has been recommended that an all-wood construction for about 222 miles may be used resulting in an anticipated saving of Rs. 5½ lakhs. As a first step, however, the Electrical Engineer has agreed to the use of "Ascu" in the construction of 11 K. V. transmission line alone. It is estimated that a saving of about Rs. 1½ lakhs can be expected within the next three years on this head.

While I am on this subject I may mention that the work in connection with the Pallivasal project has made considerable progress during the last year. One of the main items of work in connection with the project is the construction of a water tunnel of about two miles in length, a good portion of which has already been completed. The excavation of the pipe line route is practically finished and all other works connected with the project are well in hand and, thanks to the enthusiasm of the Electrical Engineer and the Tunnel Expert, it has been possible so far to keep the construction programme to well within the original scheduled programme,

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Hon'ble Members will be glad to hear that already negotiations are in progress with certain big commercial concerns interested in some industries in North Travancore for the sale of power. On the whole the scheme promises to fulfil all the expectations which were formed at its initiation. It must be a matter of great gratification to us that His Highness the Maha Raja has graciously consented to lay the corner stone of the Power House early in March next, thus signalising his abiding interest in the industrial development of the State. I may also mention that this will be the first occasion when a Ruler of Travancore visits the Devicolam Division. One pleasing feature of the Pallivasal Project is, I must say, the increasing importance it brings to the hitherto much neglected Devicolam Division. My tours in that Division soon after I assumed office have convinced me of the immence wealth of that Division which lies unexplored. Its problems and the possibilities of exploiting its resources in these days of unemployment are engaging the earnest attention of Government.

Any plan designed to ameliorate the economic condition of the people should, it will be admitted, give due importance to the development and revival of the various cottage industries of Travancore. As in other parts of India, cottage industries here also have in the past occupied an important place in the life of the rural population. But unfortunately they are found today in various stages of decay so much so the agriculturist has lost that something on which he could fall back during off seasons or unfavourable climatic conditions. The Department of Industries is at present examining and studying the lines on which the development and revival of cottage industries in the State could be effected. The object in view will be the development of those industries not only by popularising the existing methods in vogue in the various industries but also the teaching of improved and standardised methods. With the availability of cheap electric power in the State within the next two years it is to be hoped that cottage industries will once again take their place in rural Travancore. As a preliminary to their development it is necessary that a survey of such industries in the State should be conducted. The object of such a survey will be the collection of detailed information regarding cottage industries, such as the methods in vogue, the tools and appliances in use, the number of persons employed in a particular industry, the availability of the requisite raw materials and markets for the finished products. Such information will be of immense advantage to the department in deciding which industries deserve immediate encouragement and which others admit of improved methods and innovations. The Government propose to sanction a survey to be conducted Taluk by Taluk, with the assistance of Tahsildars who will

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collect the preliminary information as per the questionnaire to be issued by the Director of Industries. It is under contemplation that further detailed enquiries should be entrusted to an officer to be detailed for that work under the Department of Industries.

Before leaving this subject, I would warn the House that there is no short cut to the improvement of economic conditions which could only be attained by steady and co-ordinated work; by agricultural propaganda and by development of our resources and industries. It will depend again on the co-operation of the people and on the active assistance which the educated classes will be able to render to the administration. At present various departments of State share the work of economic development and reconstruction, with the inevitable result that an absence of co-ordination of efforts often leads either to a lack of policy or its continuity. Our problems have reached such a stage that a co-ordinating agency will help the pursuit of sustained and planned action in the field of rural and economic reconstruction. This matter, I may mention in passing, is engaging my serious thought.

As Hon'ble Members are aware the Report of the Retrenchment Committee has been engaging the attention of the Government for some time. The Committee's recommendation regarding the abolition of certain appointments and reduction of some establishments were carefully examined and orders have already been passed thereon. The other recommendation of the Committee regarding Standardisation of salaries has been under the consideration of Government since then. Keeping in view the fact that the scales of pay should be sufficiently attractive to secure the right type of individuals but at the same time not to be an unnecessary burden to the tax-payer, the Government have revised the existing scales of pay in the several departments. This revision is expected to result in a reduction of Rs. 4,71,000 per annum in the average cost when the scheme is in full operation. To check the steady rise in expenditure the period during which an increment is earned will be doubled in most cases and the amount of increment substantially reduced. As the existing scales of pay consist of a very large number of varying and overlapping scales as a result of which officers with more or less similar qualifications serving in different departments have meagre chances of promotion, the number of scales have been substantially reduced. The number of scales in vogue is 249, while in the proposed scheme it has been reduced to 50 and the pay of the various grades in the different departments made practically uniform. It was ordered already that all appointments made after 32-10-1109/14-6-1934 will be subject to revision per the standards now sanctioned. Those subordinates who held

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permanent or *Sub-protem* posts on that date will, however, retain the old scales of pay till their appointment is changed by promotion to any higher grade. The revised scales of pay will come into force with effect from 1-7-1110/13-2-1935.

Another matter of allied interest is the thorny problem of the representation of the various communities in the services. I need not reiterate His Highness's assurance that all classes of His Highness's subjects will be afforded an opportunity of serving the State. With this object in view a Public Service Recruitment Committee was appointed and they have already submitted their report which has since become a subject of considerable controversy. It was also discussed and analysed on the floor of both the Houses and the impression left is one of absolute lack of harmony between any two opinions. In this maze of controversy the Government decided that the report and the whole question of recruitment to the Services should be examined by an officer of high status who could bring to bear judicial detachment on the problem. As Hon'ble Members know, Dr. G. D. Nokes, a Judge of the High Court, has been at work already and his recommendations are expected to reach Government within the next few weeks. He is further charged with the duty of drafting rules and regulations for the constitution of a Public Services Commission. As soon as these and his other recommendations are received, Government will seriously consider the desirability of setting up a Public Services Commission in the State.

Hon'ble Members, I should, before I conclude, refer to one or two matters in which not only Travancore's interests are vitally affected but which have agitated the whole of South India-I refer to the Rubber Restriction Scheme and the condition of cocoaunt trade. As Hon'ble Members are aware the Rubber Restriction Scheme was put into operation in India from 1st June 1934. In view of the fact that no information was available regarding the basis on which the quota for the respective parties was fixed, this Government while formally agreeing to the scheme, reserved to themselves the right to press for a revision of their basic quota later on if the statistics warranted such a procedure. The Indian Rubber Licensing Committee since then went into the question in minute detail and collected complete and accurate statistics of the area of rubber cultivation in South India including Travancore. From the report of this Committee it is seen that the acreage under rubber cultivation in this State at the end of 1932 was 97,654·61 acres. It was clear that in calculating the quota for South India the export from the Alleppey Port had not been taken into consideration. This report

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and the figures formed a reliable and reasonable basis for placing the case of Travancore for an enhanced quota before the International Committee. Government have accordingly submitted representations to the Government of India to move the International Committee to enhance our quota on the basis of the figures now available. Necessarily also, this Government have to postpone legislation to enforce the Rubber Restriction Scheme untill the result of our representation for the raising of the quota is known. I am happy to say that we have reasons to believe that the International Committee may favourably decide this question and substantially increase our quota.

As I said another matter of vital importance to Travancore is the condition of our cocoanut trade. It is a commonplace that the prosperity of the West Coast is essentially bound up with the state of this industry. In pre-war days, owing to a series of fortunate circumstances and under the protection of an import duty, Indian producers were able to secure and maintain almost a monopoly in Indian markets. But immediately following the war certain factors such as the use of substitutes for cocoanut produce and the huge investments in cocoanut plantations abroad have entered the picture, leading to overproduction and the consequential unprecedented fall in prices. The surplus stock in the markets of the world, it is estimated now, approximates to one year's normal consumption. The general economic depression led to a decrease in the consumption of cocoanut produce such as fats and oil. The increase in production and decrease in consumption induced each consuming country to conserve the available markets for itself. Thus the American markets were reserved almost exclusively for Philippine cocoanuts. And the consumers in the continent of Europe also got their supplies mainly from their own Colonies and Dependencies. But in India unfortunately the Indian grower is faced with keen competition in his own markets which were hitherto his close preserve. This Government have always held the view that any reduction in the rate of import duty or tariff value is decidedly to the detriment of the Indian growers, and have time and again represented their views to the Government of India whenever the latter were engaged in examining the question of revising the tariffs or altering the rate of duty. It was felt that we were losing our points for lack of representation on organisations which might present our case and support it in the Councils of the Government of India. For this among other reasons, Travancore secured representation on the Imperial Council of Agricultural Research. At the very first meeting of the advisory Board of this Council at

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which we were represented, the Report of the Special Cocoanut Officer came up for discussion. Our claims for protection were strongly urged and in consequence the report was referred for fuller consideration to a Sub-Committee of the Board. Memoranda setting forth our claims for protection and meeting objections raised by competing interest were submitted to this Sub-Committee. The Sub-Committee has just concluded its labours and the Government feel that our position has been fully appreciated by the members of this Committee. With renewed confidence this Government hope to pursue this matter to the utmost extent of our efforts.

The Joint sitting terminated at 12-25 P. M.

P. PARAMESVARAN PILLAI,
Secretary to the Śri Chitra State Council.

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